

STATE OF ALASKA/

SEAN PARNELL, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND AND WATER

550 W 7th Avenue, Suite 920
Anchorage, AK 99501-3577
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February 4, 2011

TO: Distribution List

RE: PUBLIC NOTICE: Beluga Coal Exploration Permit Renewal #01-84-795

On October 22, 2010 the State of Alaska, Department of Natural Resources, Division of Mining, Land, and Water has received a request by Beluga Coal Company, 431 West 4th Avenue; Ste 203, Anchorage, AK 99501 to renew the Beluga Coal Exploration Permit No. 01-84-795. This would renew the existing permit for two additional years.

The exploration area for this site is approximately 16 miles Southwest of Tyonek, Alaska within: T12N, R 13 W, Section 3 NW1/4, 4N1/2 and 5N1/2, T 13N, R13W, Sections 26, 27, 28, 29 S1/2 and NE1/4, Section 32 N1/2 and SE1/4 , Sections 33, 34, 35 of the Seward Meridian. A total of 5,600 acres will be permitted under this permit renewal 01-84-795.

This renewal authorizes the continued monitoring of 14 wells. Additional activities proposed under this permit renewal include the construction of a temporary camp and the drilling 11- 14 exploration drill holes. Reclamation of ground disturbed during the project and drill holes not retained as monitoring wells would be reclaimed prior to the conclusion of the exploration program.

Pursuant to 11 AAC 90.167(b) the Division has determined that the reclamation bond for in the amount of \$25,136.00 is sufficient to cover the associated reclamation costs.

The application complies with the requirements of the Alaska Surface Coal Mining Program (AS 27.21 and 11 AAC 90). All exploration and reclamation activities are to be consistent with 11 AAC 90.167.

Copies of the application and preliminary decision are available for review at the Alaska Department of Natural Resources, Division of Mining, Land and Water, 550 W. 7th Ave., Suite 920, Anchorage, AK 99501-3577 or on our website at

(www.dnr.state.ak.us/mlw/mining/index.htm). Written comments regarding this permit should be sent to Russell Kirkham at the address listed above, or by e-mail at russell.kirkham@alaska.gov. The deadline for written comments is 5:00 PM, March 7, 2011.

Liping Jing

Geologist, Coal Regulatory Program